NAFOA INSTITUTE

NATIVE ADVISORY

FEB
20 & 21
2025

2:00 PM EASTERN TIME

TRIBAL FINANCIAL CONTINGENCY PLANS & REDUCED FUNDING IMPACT REPORTS WORKSHOP SERIES

NAFOA and Native Advisory are co-hosting a two-part webinar series to actively and timely prepare Tribes for the recent federal funding freeze and the related reviews of all federal spending by the Trump Administration.



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Funding Impact Reports

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CEO, NATIVE ADVISORY

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Now: Budget creatively & proactively

Goal is to maintain services and jobs to the greatest extent possible.

- Evaluate programs (priorities + “nice to haves”)
- Outcome based approach (most bang for our buck, cost-benefit)
- Streamline - Find efficiencies and “cross-purposed” programs and combine
- Eliminate vacant non-essential positions
- Hire “Revenue-producing” positions
- Invest in support to generate new revenue or cut costs

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What if? Funding Impacts – Estimate $

Step 1:

Estimate Impacts (Reduction OR Additional Burden)

- Know how each program will be financially affected
  - +/-10%
  - 100%
- Base reduction estimates on award letters and agency communications

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What if? Funding Impacts - Absorb

GOAL: Try to absorb %

Step 2: Reduce spending by using **cost-containment measures**…*This should get you part of the way!*

Examples

Hiring, Travel, Training, Overtime, Commitments

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Near Term Action: Track Impacts

KEEP TRACK OF HOW FUNDING % IMPACTS (REDUCTIONS OR ADDITIONS) AFFECT EACH PROGRAM

Bonus exercise, if you have time:

- Forecast into the future
  - Impossible to know congressional appropriations
  - One approach, ask programs to submit estimated budgets for three years

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Use Your Voice and Influence

- Listen and document true stories – the "**real life**" impact of funding impacts ***FOR YOUR MOST IMPORTANT GRANTS***
- Prepare an **IMPACT** report
  - Document real-life effects and share with your senators and members of congress
    Especially those on certain committees *(NAFOA to provide a list)*
  - Share with State-level elected officials
  - Give number of people/jobs/services directly and indirectly affected

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Documenting Impact: Getting Started

Information required:

- Excel spreadsheet of Federally funded grants (SEFA) & award letters
- Funding impact notices from Agencies (*not applicable yet in 2025*)
- Statistical information from:
  - Comprehensive financial annual report (CAFR)
  - Federal programmatic reports
  - Program databases
  - Program staff
  - Economic Impact Studies Data
- % of Funding Impacts (+/- 5%, +/-10%, 100%)

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Examples of Funding Impact Reports

Grant data:

Grant Name	Current Funds	Funding Reduction 10%	Reduced Funding
IHS Health	$50,000,000	$ 5,000,000	$ 45,000,000
DHHS Substance Abuse	$ 1,000,000	$ 100,000	$ 900,000
HUD NAHSDA	$15,000,000	$ 1,500,000	$ 13,500,000
	(award letter $)	(Award $ x funding cut 10%)	(Award $ less funding cut $)

Statistical data needed from programs:

* Collect statistical data in units such as:
  * How many less individuals/families served?
  * How many jobs will be lost/not created?
  * How many local community businesses and or schools will be affected?
  * How many miles of roads/waterlines/bridges won't be maintained?
* Quantify all data in number "units"
* Try not to generalize, be specific
* Verify all data agrees with any funding report or financial data earlier distributed – **Be Honest**!
* Verify statistic values do not exceed reduced funding amount

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INDIAN HEALTH SERVICES	Current Funding	Funding Cut	IMPACT
IHS Health	$ 50,000,000	$ 5,000,000	26,000 patients not seen; 42 fewer jobs; Possible increased patient wait time
Statistical information acquired from the most recent CAFR			
HUD	**Current Funding**	**Funding Cut**	**IMPACT**
Housing Rehabilitation	$ 9,000,000	$ 900,000	27 less family homes rehabilitated, 3 fewer labor jobs
Modernization	$ 5,000,000	$ 500,000	18 homes not updated; fewer contracts for construction workers
Emergency Housing	$ 1,000,000	$ 100,000	50 families with emergency needs not served
Statistical information acquired from the most recent housing report to HUD			
DEPARTMENT OF HUMAN SERVICES	**Current Fudning**	**Funding Cut**	**IMPACT**
Substance Abuse	$ 1,000,000	$ 100,000	15 at risk individuals not served; 1 fewer counselor job
Statistical information aquired from the Substance Abuse program			

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INDIAN HEALTH SERVICES	Current Funding	Additional Costs	IMPACT
IHS Health	$ 50,000,000	$ 5,000,000	26,000 patients not seen; 42 needed jobs; Possible increased patient wait time
Statistical information acquired from the most recent CAFR			

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Framing Data for Messaging

- Because we are using the Impact Reports for advocacy, it is important that we frame and message accordingly.
- Ideas Guide…

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President Trump's top 10 priorities, simplified

1. **Border Security** –
   Build wall, stop immigration
2. **Trade & Economy** –
   More jobs, less China
3. **Energy** – *Drill oil*
4. **Healthcare** –
   Cut spending, change rules
5. **Government Reform** –
   Fewer workers, no DEI
6. **Technology** – *Big AI*
7. **Foreign Policy** –
   More land, strong military
8. **Crime & Law** –
   Tougher punishments
9. **Infrastructure** –
   New cities, flying cars
10. **Social Policies** –
    End diversity programs

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Use FIR’s to Inform

- Citizens
- Government Relations Strategy
- Communications Strategy
- Friends & Allies

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Think Outside the Box

Use other creative ways of getting out the message…

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What We Have Covered

Over the last two days, we've covered key strategies to help your Tribe navigate potential financial challenges and communicate impacts to help secure existing and potential funding. Our toolkit includes:

- ✅ Financial Contingency Plan
- ✅ Drafts: Manual Workaround Procedures & Cybersecurity Plan
- ✅ Funding Impact Reports - Explanation
- ✅ Excel Template for FIR
- ✅ Potential Messaging Strategy

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Challenges Ahead…

Accept Change and Create Change

"This is the way we have always done it"

DOESN'T WORK ANYMORE!

- LOOK for ways to generate new funding sources
  - New Opportunities that WILL come forward (do NOT leave funds on the table!!)
  - Compacting & Contracting with Contract Support Costs?
  - Partnerships with vetted 3rd parties

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Next Steps – Let's Hear From You

Help Us Help You! Share Your Needs.

1) **Complete NAFOA's Survey - Give Feedback on this Webinar and share where you have gaps and need additional support.**
2) **For hands-on leadership and strategic advisory support, email me: info@nativeadvisory.com**

Together, our voices are stronger. It is up to us to ensure that the Federal Government recognizes and upholds its trust and treaty responsibilities to Tribes.

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